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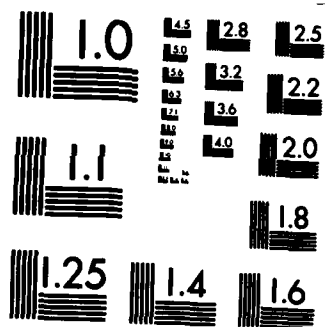
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# U.S. Policy for Central America

## A Briefing

Edward Gonzalez, Brian Michael Jenkins,  
David Ronfeldt, Caesar Sereseres

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## A Briefing

Edward Gonzalez, Brian Michael Jenkins,  
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March 1984



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## PREFACE

This report presents a revised version of a briefing given in October 1983 to the National Bipartisan Commission on Central America, chaired by Dr. Henry Kissinger. The revisions consist primarily of background material that the authors had assembled but were not able to provide in the actual briefing. The views expressed here are based largely on findings from earlier Rand research, but they also reflect the authors' collective judgments about why and how the United States should be interested in Central America. This report, like the briefing, is intended for a broad public audience.

Central America is a fast-moving subject. Even before the publication of this report, the Kissinger Commission had issued its report, and the Reagan Administration had submitted the Central America Democracy, Peace, and Development Initiative Act of 1984 (also known as the Jackson Plan) to Congress. The present report has not been updated to reflect these or other recent developments. Its purpose is to document the information that the authors provided to the Commission.

## SUMMARY

### U.S. INTERESTS AND VALUES AT STAKE

Just how important are U.S. security interests in Central America? Viewed in isolation, they seem to be modest. From a strategic viewpoint, however, they assume importance because Central America is part of our strategic rear area, the Caribbean Basin, and because the Soviet Union is seeking targets of opportunity there. Over time, adverse regional developments could erode the strategic position of the United States.

This does not mean that U.S. global credibility ought to be seen as a key stake in what promises to be a long struggle in the region. But it does mean that U.S. security depends heavily on preventing the consolidation of hostile regimes in Central America, maintaining secure lines of communication throughout the Basin, and ensuring continued access to strategic raw materials, primarily oil and natural gas in Venezuela and Mexico.

For most of this century, a secure southern perimeter has greatly facilitated the U.S. role as a world power, enabling the United States to focus attention on Europe, Asia, and the Middle East. It remains a *strategic imperative* that the United States prevent threats from arising in Central America that would require the diversion of military and other resources, to the detriment of U.S. strength and flexibility elsewhere.

Security is not the only issue. The United States also upholds a set of political and economic values: respect for human rights, the development of democratic societies, and economic progress and social justice. The United States has a *moral obligation* to protect and support those moderate forces that share this basic commitment to human rights and other democratic values.

There is no easy way to achieve public consensus on how to reconcile the strategic imperative and the moral obligation in U.S. dealings with Central America's governments and peoples. Yet there should be public consensus at least that the United States has important interests and values at stake—and that these merit U.S. involvement in, not disengagement from, Central America.

## SECURITY TRENDS AND POTENTIAL THREATS

Three related sources of potential threats to U.S. interests are developing in Central America:

- *Low-intensity conflict is spreading* by means of guerrilla warfare, leftist and rightist terrorism, government repression, and border conflict. Guided by the experience of the Sandinistas, today's revolutionaries are trying to internationalize local conflicts to an unprecedented degree.
- *A hostile alignment is developing between Cuba and Nicaragua*, with Soviet support. It could take years to militarize this axis, but if it gets established, it would complicate U.S. defense planning for crises elsewhere and would harm perceptions of U.S. power around the world.
- *Soviet-Cuban capabilities for power projection are growing* because of improvements in their military forces and agreement on how to conduct revolutionary warfare.

How might potential threats materialize in the future? One example would be the deployment of MiGs and Cuban combat forces to Nicaragua. This would escalate the threat to Nicaragua's neighbors and potentially to the Panama Canal and adjoining sea lanes. It would provide Cuba with a precedent for a Cuban combat presence in Nicaragua. And, depending on the U.S. response, it could affect worldwide perceptions of the U.S.-Soviet politico-military balance.

What would be the implications for U.S. policy? If the United States ignored these developments, it would risk a further militarization of the Soviet-Cuban-Nicaraguan axis. Threats by the U.S. government to launch air strikes if the MiGs and Cuban combat presence were not removed would probably be met with heavy domestic and international opposition. The deployment of additional U.S. forces to the area to ensure regional security in the event of an international crisis would divert military assets from high-priority areas beyond the hemisphere.

As another example, a guerrilla victory in El Salvador would raise the specter of a domino-style spread of revolutionary conflict, especially if the victorious revolutionaries were to call for a protracted war to "liberate" all of Central America. Such a war would generate a massive refugee problem. It would also probably demoralize Honduras, Guatemala, Costa Rica, and Panama and would encourage the expansionist tendencies in Cuban and Soviet policies.

The fall of El Salvador would narrow the range and raise the cost of U.S. policy choices. It would become more difficult for the United



States to treat Central America as though its problems could be resolved and the revolutionary tide stemmed by means of long-term U.S. economic and military assistance. Restoring stability and security to the region would probably require a large U.S. military presence. Yet a large military deployment to Central America could provoke widespread hostility throughout Latin America and thereby reduce U.S. ability to respond to crises in other priority areas.

In brief, the continued spread of low-intensity conflicts, the consolidation of a hostile military axis, and the expansion of the Soviet-Cuban presence in the region would mean that (1) U.S. interests would be more clearly threatened, (2) the stakes would be higher, (3) the options would be fewer, and (4) the costs would be greater than they are at present. In order not to violate the traditional U.S. "economy-of-force" principle for the region, it would be preferable to develop a U.S. policy that could restore stability and security without relying on military intervention or a large-scale U.S. military buildup in the region.

## U.S. POLICY TOWARD NICARAGUA

Nicaragua raises two classic questions for U.S. policy: Can we learn to live with radical nationalist regimes in our "back yard" if they learn to live with us? And how do we prevent hostile extrahemispheric powers like the Soviet Union from gaining a military position in Central America?

The United States does not have any easy options for dealing with the Sandinistas: In line with initiatives by the Contadora Group (Colombia, Mexico, Panama, and Venezuela), the United States could *seek accommodation* and cease its diplomatic, political, and economic campaign against the Sandinista regime, if the regime would stop assisting guerrillas elsewhere, would not allow Nicaragua to become a platform for Soviet or Cuban expansion, and would not obtain weapons from any source that would upset regional military balances. But the Sandinistas do not have sufficient incentives or external constraints to curtail their revolutionary behavior. They are convinced that public divisions within the United States will undermine any U.S. effort against them, and that they can obtain assistance from Europe and the Soviet bloc to ensure the survival of their regime.

The United States could *oppose the Sandinistas with nonmilitary pressures*, isolating the regime diplomatically and economically, while providing continued financial support for anti-Sandinista elements. But this might not be very effective. As with Cuba, it might guarantee

continued hostility without making the Sandinistas modify their behavior.

The United States could *support the rebels to weaken the regime*, for example, through concentrated attacks on economic targets. But this could provoke a backlash in Nicaragua and elsewhere in Latin America, making the Sandinistas more dependent on Cuban and Soviet aid.

The United States could *support the rebels to overthrow the regime*. But it is not clear that domestic discontent in Nicaragua is so widespread that the Nicaraguan people would abandon the Sandinista regime. Nor is it clear that, with or without such discontent, a rebel force capable of toppling the Sandinistas can be created.

An effort to *intervene with U.S. forces*, the surest way of eliminating Nicaragua as a potential threat, would be an enormously costly undertaking. It could divert more than 100,000 U.S. combat troops and would involve heavy casualties on both sides. Continued Sandinista resistance in the countryside could bog the United States down in a prolonged military occupation and counterinsurgency campaign, and would elicit unpleasant political fallout at home and abroad.

There are also no easy options for directly preventing a Soviet or Cuban military buildup in Nicaragua. Nicaragua is no more of a military threat now than Cuba was in the early 1960s; but it could become one if the Cubans and the Soviets gradually and ambiguously supply the Sandinistas with advanced weapons and expand their own presence. This would eventually oblige the United States to divert more forces to the area.

A U.S. attempt to *negotiate or declare a weapons ceiling*—affecting the origin, amount, and kind of military equipment Nicaragua could receive—seems unlikely to bear fruit. The Contadora Group has raised some useful points that could enter into a regional arms limitation agreement for Central America. However, as has occurred in Cuba, arms that are not expressly prohibited become permissible, and those that are permissible get deployed. Penalties for violations are difficult to apply.

A U.S. effort to *impose a quarantine* around Nicaragua could reduce the amount of arms delivered to Nicaragua, particularly heavy weapons. But such a quarantine would be difficult to enforce; it would have to last for years; and it would require a large deployment of U.S. military units.

It might be more effective to *selectively destroy Cuban or Soviet military material that appears in Nicaragua*, using local paramilitary forces under U.S. control or regular or special U.S. forces. This could demonstrate U.S. determination without committing the United States to action in every case and would minimize the danger to civilians.

However, it could risk U.S. military casualties and POW problems. And it might provoke terrorist attacks against military or civilian targets in the United States.

The implications of an effort to *intervene with U.S. forces* has already been discussed.

Although none of these options is entirely satisfactory, the best combination appears to be (1) maintaining pressure on the Sandinistas through primarily nonmilitary means, including financial support to anti-Sandinista elements, and (2) making certain that Soviet weapon systems are not introduced into Nicaragua, resorting, if necessary, to selective U.S. military targeting.

This combination would have to be coupled with other measures to strengthen the other Central American nations. Such an approach would provide some flexibility concerning other options that could be adopted later to deal with Nicaragua.

## U.S. POLICY TOWARD CENTRAL AMERICA

What should U.S. policy do to head off a further deterioration of Central America and to build constructive long-term relationships with our neighbors there? In general, it should adhere to three broad guidelines:

- First, the United States should sustain its involvement in Central America. The problem is to achieve the level of U.S. involvement that will best promote the strategic and moral requirements for U.S. policy and best meet the needs of local elites. U.S. involvement is most likely to have adverse consequences when it falls too low (e.g., through political, economic, and military disengagement, as happened during the 1970s) or rises too high (e.g., through U.S. overreaction and military occupation). The most stabilizing consequences may ensue when U.S. involvement is at a moderate level that best meets the historical expectations of Central American political elites.
- Second, the United States should engage local governments in developing collective responsibility for regional security and development. Subregional mechanisms like the Contadora Group, the Central American Forum for Peace and Democracy, and the Central American Common Market provide useful frameworks for coalition-building with our nationalistic neighbors. In rebuilding its leadership role, the United States should not seek to reassert hegemony; but neither should it simply accept whatever security and economic demands the Central American governments present.

- Third, U.S. policy should address both the internal and external sources of conflict in the region. The divisive public debate—with people taking sides over whether to blame the revolutionary violence on local poverty and inequity or on Soviet-Cuban subversion—is misleading and should be set aside. The two sources of revolutionary violence are inseparable, partly because local elites traditionally seek to augment their power by enlisting the support of external actors. To have a positive effect on Central America's political behavior, U.S. policy must address both sources.

What should U.S. policy do to fulfill these guidelines? It should respond to four classic challenges that have faced the United States ever since it became involved with this region almost a century ago, by

1. Engaging and accommodating Latin American nationalism.
2. Strengthening moderate forces.
3. Fostering socioeconomic development.
4. Building constructive military ties.

Regional trust and policy dialogue depend on the ability of the United States to respect local nationalist concepts of political sovereignty, economic independence, and national dignity. Such nationalism is often critical of U.S. policy, but it can provide a useful barrier against extrahemispheric intrusion. The United States should try to adhere to the principle of nonintervention, support the growth of the state as well as the local private sector, and allow cooperation with revolutionary regimes insofar as they do not promote upheavals elsewhere or align with our global adversaries. For their part, nationalist leaders in and around Central America should question whether their long-range interests are truly served by inviting extrahemispheric actors to balance U.S. influence and allowing local conflicts to become so internationalized.

In addition to opposing left- and right-wing extremism, the United States should help strengthen civilian and military elites that share our values and support moderate, democratic solutions. The United States is the only nation that has the interests, influence, and resources to shield the growth of local moderate forces. Areas for improving U.S. policy include leadership training programs and technical and financial assistance to support the development of political parties, labor unions, community groups, and agricultural cooperatives. Moreover, U.S. security assistance and military training can help to break the historic tie between the local oligarchy and the military (especially in El Salvador). To stop right-wing extremists from continuing to murder their

moderate political opponents, the United States may have to target the personal interests of the right-wing leaders.

Because the region's long-term problems are largely socioeconomic, large-scale U.S. trade, aid, and investment programs are needed to help generate both economic recovery and reform. U.S. support for needed agrarian reforms might be more effective if U.S. funds were made available to help compensate expropriated property owners (this is presently prohibited by U.S. legislation). The expansion of U.S. development assistance should be tailored to local absorptive capacities, but it should also encourage socioeconomic reforms that will expand those capacities.

Over the long run, the United States should seek coalitional arrangements that enlist the participation of Basin states in multilateral security activities. In the meantime, U.S. security programs should aim at increasing the capabilities and professionalism of the local armed forces to defeat left-wing guerrillas. It is especially important that U.S. military assistance emphasize leadership training and organizational skills. It would also be useful for the United States to restrain the introduction of advanced weapons systems into the region, improve intelligence gathering and analysis by both the local armed forces and U.S. intelligence personnel, and provide professional police training (this is also presently prohibited by U.S. legislation).

Recommending what U.S. policy should be is a lot easier than specifying how to develop and implement it. These suggestions are no exception; their implementation would require a lot of creative work. The important point is that these broad policy directions would respond to U.S. security interests and moral obligations and should therefore help to establish a sustainable consensus among the American people.

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## I. THE NEW POLICY ENVIRONMENT OF THE 1980s

The challenges confronting the United States in Central America in the 1980s resemble the ones posed by Fidel Castro more than two decades ago. In the early 1960s, Castro radicalized the Cuban Revolution, aligned with the Soviet Union, declared himself a Marxist-Leninist, allowed Soviet offensive weapons in Cuba, and promoted revolution throughout Latin America. At that time, the United States, proud and confident in its stature as the world's paramount superpower, enjoyed a solid national consensus to oppose the further spread of Marxist revolution and did not hesitate to provide large-scale economic and military assistance to governments beset by guerrilla movements.

The Alliance for Progress and the Military Assistance Program served to contain Castro's revolutionary thrust and promote democratic reforms in many countries. Where the security threat was deemed critical, the United States employed overwhelming military power to force the Soviet withdrawal of missiles in October 1962, and to forestall "another Cuba" during the 1965 Dominican revolt. Of course, once the revolutionary threat waned in the late 1960s, U.S. attention shifted to Southeast Asia and the Middle East; but this does not alter the fact that for almost ten years the United States responded vigorously to the twin challenge of assuring security and development in our hemisphere.

### CHANGES IN THE POLICY ENVIRONMENT

Today, the United States is faced with a new Marxist-Leninist government in Nicaragua and revolutionary insurgencies in El Salvador and Guatemala that receive outside support from Havana and Moscow. But while the challenges for U.S. policy may look similar to those of the 1960s, major changes have occurred in the global, regional, and domestic environments. These changes have complicated and impaired the ability of the United States to respond to the Central American crisis with the resolve and resourcefulness of the 1960s. The sum of these changes is that:

- Our adversaries have become powerful.
- External opposition to U.S. policy has intensified.

- The U.S. public is less sensitive about potential regional threats.
- U.S. abilities to influence events in the region have diminished.

### **Increasingly Powerful Adversaries**

In 1960, the Soviet Union was clearly the lesser superpower and did not have a significant military presence outside the Soviet bloc. Today it exhibits virtual strategic parity, a global naval presence (including in the Caribbean), and growing capabilities to project its air and ground forces to distant theaters.

Whereas Cuba had a small, poorly equipped army in 1960, today it possesses a modernized force—more than 227,000 strong, with over 200 MiG fighters, including MiG-23s—that has conducted large-scale combat operations overseas as an ally of the Soviet Union and that is developing a capability to interdict sea lanes and project power around the Caribbean Basin.

Castro originally espoused a guerrilla warfare theory that the Soviets opposed and that ultimately failed. Today's Marxist guerrillas employ a sophisticated revolutionary strategy, endorsed by the Soviets as well as the Cubans, that combines military and civilian fronts and enlists broad international support.

### **Intensified External Opposition to U.S. Policy**

In 1960, the Catholic Church was a unified, essentially conservative factor in the area's politics. Today, the Church is divided. Radical priests, some committed to Marxist ideals and the theology of liberation, actively support revolutionary violence in Central America.

The European nations had little involvement or interest in Central America in the 1960s. In recent years, however, they have actively backed the development of Christian and Social Democratic parties, provided economic assistance to Nicaragua, and in some instances (e.g., the joint French-Mexican declaration of 1981) openly opposed U.S. policies.

In 1960, Mexico and Venezuela either abided by U.S. policy or did not actively contest it. Today, they have become assertive regional actors, with policies that are often at variance with those of the United States.



### **Diminished U.S. Public Sensitivity to Regional Threats**

The Cuban Revolution and the prospect of Soviet advances near U.S. borders at one time alarmed many Americans. Today, few Americans believe that additional revolutionary regimes in Central America would really help the Soviets or the Cubans to threaten sea lanes in the Caribbean, much less the physical security of the United States.

Most Americans once regarded the Panama Canal as a vital military asset that justified every effort to preserve regional security. Since the Panama Canal Treaties of 1978, however, few Americans still consider the Canal (or the surrounding region) to be vital.

In the early 1960s, the external aggression of Cuba and the Soviet Union was clear-cut, as in the missile crisis and the insurgency in Venezuela. Today, moral ambiguities often override potential threat perceptions because the guerrillas appear to be fighting against repressive regimes in Central America, and because Soviet and Cuban involvement is well hidden.

The widespread growth of moderate democratic reform movements in Latin America 20 years ago strengthened public confidence that the Alliance for Progress could achieve a kind of peaceful revolution. Today, so many of Central America's moderates have been killed by the extreme left and right, and so many of the remaining Social and Christian Democrats have joined the guerrilla movements, that the reformist alternative has lost support in the United States, and in Western Europe, as well.

### **Diminished U.S. Ability to Influence Events in the Region**

In 1960, the United States was confident of its role as the leading world power. Today, the American public remains shaken and divided by the Vietnam experience, less willing to apply U.S. power abroad, and uncertain even of its interests abroad.

In the early 1960s, the media, trade unions, churches, and university campuses generally supported U.S. policy toward Cuba and Latin America. Today, many of these groups are quite critical of U.S. policy toward Central America, while "solidarity" networks on campuses and elsewhere in the United States actively support Nicaragua and the Salvadoran guerrilla movements.

The American economy in 1960 was largely self-sufficient and expanding. Today, it has become dependent on foreign imports, especially petroleum; and U.S. domestic priorities have left few resources for foreign assistance.

Whereas Americans once remained essentially insulated from conditions in Central America and the Caribbean, the area's conflicts now intrude into the American domestic scene, largely through massive immigration flows.

### SIGNIFICANCE FOR U.S. POLICY

Because of these and other environmental changes, there are no clear and easy choices for U.S. policy. The Central American crisis poses greater problems for U.S. policymakers than did the "Cuban problem" during the 1960s, yet the American people have thus far not been convinced either that a serious crisis exists in the region or that the United States should deepen its involvement. However, the United States needs to give the region its urgent and sustained attention for three important reasons:

1. *U.S. stakes in the region are strategically important.* The stability and non-hostility of Central America is essential to the security of Mexico and Panama, and to the security of nearby sea lanes and petroleum resources. A secure Central America enhances U.S. ability to attend to the global power struggle.
2. *Potential threats to U.S. interests are growing.* Soviet-Cuban capabilities to foster revolution and project military power have expanded dramatically. A hostile military axis, backed by the Soviets, may be developing between Cuba and Nicaragua, and all three nations actively support revolutionary conflict in Central America.
3. *Regional security and development require strong U.S. participation.* The United States progressively disengaged from Central America during the 1970s as part of a broader cutback in U.S. security and economic assistance abroad.<sup>1</sup> This disengagement contributed to the emergence of internationalized conflict in Central America because it motivated contending elites and counterelites there to seek new external allies in Cuba, Mexico, Venezuela, Western Europe (especially the Socialist International), and the radical Arab states, while also arousing the Soviet Union to strengthen its presence in Cuba and the Caribbean.

<sup>1</sup>For example, the number of U.S. military personnel assigned to the Caribbean Basin declined sharply between 1968 and 1980: A total of 22,000 personnel were stationed in the Basin in 1960, rising to over 25,000 in 1968; the number then dropped to under 16,000 by 1981. See Joseph H. Stodder and Kevin F. McCarthy, *Profiles of the Caribbean Basin in 1960/1980: Changing Geopolitical and Geostrategic Dimensions*, The Rand Corporation, N-2058-AF, December 1983.

Since early 1983, the United States has restored its involvement through increasing levels of economic and military assistance. Greater public consensus on the importance of U.S. interests and the nature of the emerging threats is needed, however, to enable the U.S. government to achieve and sustain effective leadership in the region. If this consensus is not forthcoming, the United States may face additional crises in which the stakes will be higher, the options will be fewer, and the cost of any sort of involvement will be greater.

## II. U.S. INTERESTS IN CENTRAL AMERICA

Viewed in isolation, U.S. interests in Central America appear to be modest. The Central American nations do not possess raw materials or economic investments that are critical to the United States. And none can pose a credible threat to nearby sea lanes or directly jeopardize the military security of the United States.

The region assumes strategic importance, however, when viewed from a broader perspective which takes into account two major factors:

- Central America forms an integral part of the larger Caribbean Basin, where developments are often easily transmitted from nation to nation.
- The Soviet Union and its allies are seeking to exploit targets of opportunity in the United States' "strategic back yard".

Over time, adverse regional trends could erode the global position of the United States, especially if conditions in Central America should deteriorate to the point where the Soviet Union gains a military position in the region or the United States has to divert its military power to intervene there.

In taking a broad perspective, however, it is essential to guard against an attitude that would simply subordinate Central America to U.S. stakes in the global strategic struggle. U.S. global credibility ought not to be at stake in every step of what promises to be a long regional struggle. The rhetoric that has been necessary to mobilize Congressional and public support for U.S. involvement in Central America has made U.S. credibility an issue. That provides an incentive for not failing, but it also sets two traps. First, to prevent a loss of credibility, the United States may have to invest more; even though investing more puts more credibility on the line. Second, attention hardens on the East-West dimensions of regional unrest, yet the current turmoil stems largely from local political, economic, and social problems.

The concern with global credibility makes the stakes in Central America sound the same as those in other Third World areas. Yet ever since the Monroe Doctrine, security in Central America and the Caribbean has held a unique status in U.S. strategy. Moreover, the United States has moral concerns at stake that get ignored in the rhetoric of credibility.

## STRATEGIC AND SECURITY INTERESTS

U.S. security interests in Central America, as in the broader Caribbean Basin, involve the ability to defend the physical security of the United States, prevent expansion by any hostile power in the Basin, and project U.S. power abroad. In concrete form, this has customarily meant the following:

1. *Preventing the consolidation of any hostile regime in Central America that is allied with the military foes of the United States.* Should Nicaragua become allied with Cuba and the Soviet Union and dedicated to revolutionary expansion, it would constitute a chronic source of conflict and renewed crises in the region. Over time and through incremental steps, Nicaragua could acquire heavy-weapons capabilities and provide a base for the projection of Cuban-Soviet power, thereby complicating U.S. global defense requirements much as Cuba does today.<sup>1</sup>

2. *Maintaining secure lines of communication, primarily the Panama Canal and the sea lanes in the Caribbean.* The emplacement of offensive weapons such as MiGs or missiles in Nicaragua or elsewhere in Central America could represent a potential, albeit ambiguous, threat to the security of the Panama Canal and the adjoining sea lanes. Vast amounts of commercial trade, petroleum, minerals, and other raw materials travel these channels, linking the U.S. coasts to South America, the Persian Gulf, Europe, and Japan. It seems unlikely that Nicaragua or Cuba would attack the Canal or American shipping. But if offensive weapons should appear in Central America, U.S. defense planners could not risk the potential threat of "strategic denial" and would have to deploy additional U.S. forces to the area.

3. *Ensuring continued access to strategic raw materials, primarily oil and natural gas in nearby Venezuela and Mexico.* In 1982, the Caribbean Basin supplied the United States with 1.8 million barrels of petroleum per day—over 11 percent of total U.S. oil consumption, and 35 percent of total gross U.S. imports of oil. Oil imports from Venezuela and Mexico could become essential if supplies from the Persian Gulf were cut off. How could the conflict in Central America jeopardize these petroleum supplies? Hostilities would have to spread either to Venezuela, which seems unlikely, or to southern Mexico, which would become more of a possibility if El Salvador and Guatemala—especially Guatemala—should succumb to Marxist-Leninist revolution.

<sup>1</sup>For an analysis of the conventional and subversive threats Cuba may pose, see Edward Gonzalez, *A Strategy for Dealing with Cuba in the 1980s*, The Rand Corporation, R-2954-DOS/AF, September 1982.

4. *Controlling refugee flows from the Basin.* Conditions in the Basin have already produced flows of refugees from Cuba, Haiti, Mexico, and El Salvador. The United States could absorb any population flow from Central America, although it might cause local problems. But were civil strife also to spread to Mexico, the United States could ultimately confront a potential population influx of unmanageable proportions.

In sum, a relatively secure southern perimeter has facilitated the U.S. role as a world power. For most of this century, maintaining Central America and the Caribbean as an "economy-of-force" region demanding little U.S. military commitment has enabled the United States to deal with higher-priority problems in Europe, Asia, and the Middle East. It remains a *strategic imperative* that the United States prevent extrahemispheric threats from developing in the region to avoid the diversion of U.S. military and other resources that would diminish U.S. global strength and flexibility.<sup>2</sup>

## MORAL AND INSTITUTIONAL VALUES

For more than two centuries, and with varying emphases, the United States has sought to promote a set of political, economic, and humanitarian values in Central America that derive from Western philosophical traditions. Though U.S. policy has often supported authoritarian regimes in the region, the United States has generally wanted to bring about the evolution of democratic states as the natural allies of the United States. During much of the Cold War period, anti-communist sentiments synthesized the expression of American moral values around the world and tempered our willingness to tolerate dictators who were our allies. But deeper involvement in Third World struggles, especially in Latin America and Southeast Asia during the 1960s, has made the American public less willing to tolerate unjust behavior by local regimes that receive assistance. Thus, after the reformist impulses behind the Alliance for Progress lost momentum in the late 1960s, human rights became a central concern of U.S. policy. As a result, it is increasingly important that U.S. policy in Central America strive to achieve three primary goals:

1. To oblige governments to respect the human rights of their citizens.

<sup>2</sup> For an elaboration of this imperative, see David Ronfeldt, *Geopolitics, Security, and U.S. Strategy in the Caribbean Basin*, The Rand Corporation, R-2997-AF/RC, November 1983.

2. To promote the development of pluralist, democratic institutions.
3. To foster economic progress and social justice within a Western framework.

Because Americans value the observance of human rights, repeated abuse by regimes the U.S. government supports will continue to generate public opposition to further U.S. assistance for such regimes. Right-wing death-squad activity in El Salvador and Guatemala is abhorrent in principle—and in practice, it has eliminated moderate leaders who subscribe to democratic values and who, if properly shielded, could work with the United States to achieve political and economic reforms.

Even while acknowledging that the military is an important political actor in many Latin American nations, the American public generally believes that governments should be freely elected and that U.S. policy should strengthen the full range of civilian political institutions. In the long run, as Costa Rica and Venezuela have demonstrated, this is the best way to build allies in Central America that are responsive to their people's needs and that can cope with subversion and promote justice. Democracy benefits U.S. security interests: The United States has no enemies who adhere to democratic values.

From a U.S. standpoint, stimulating private enterprise is the best way to promote economic growth and reinforce democratic freedoms. In many underdeveloped nations, however, private enterprise alone is inadequate to alleviate widespread poverty; in some instances, private-sector leaders have in fact hindered the pursuit of social justice. Hence U.S. policy has often assisted local governments to enlarge their economic development roles and to promote redistributive measures, including land reform. Mixed economies and socialist measures in Latin America are acceptable to U.S. policy as long as the local government retains a basic commitment to Western values.

In sum, the United States has a *moral obligation* to protect and support those forces that share a basic commitment to human rights and democratic values. In practice, this has meant that U.S. policy should strengthen moderate forces and oppose both left- and right-wing extremists.

## BALANCING INTERESTS AND VALUES

Reconciling the strategic imperative with the moral obligation represents a fundamental policy challenge. It is especially so in Central America, where the United States must deal with regimes that usually do not measure up to U.S. standards of behavior with regard to human rights, where right-wing death squads are at work, where brutal guerrilla wars continue, and where the Cuban and Soviet presence keeps growing, presenting creeping *faits accomplis*, permitting no lines to be drawn.

The United States is further hampered by its own deep-seated ideological divisions. In this country, Central America is treated as a political battleground where partisans confirm their own prejudices and seek to further their own agendas. The result is too often polarization and confrontation rather than consensus.

The difficulty of reconciling the strategic and moral dimensions discussed above, however, should not obscure the need for public consensus that the United States has important, if not critical interests and values at stake—and that these stakes merit U.S. involvement in, not disengagement from, Central America.



### III. SECURITY TRENDS AND POTENTIAL THREATS

Three related sources of potential threats are developing in Central America that can affect broader U.S. security and military interests:<sup>1</sup>

1. Proliferation of low-intensity conflicts
2. A militarized hostile alignment between Cuba and Nicaragua
3. Growing Soviet-Cuban capabilities for power projection

Low-intensity conflicts are spreading within states and across national borders, by means of guerrilla warfare, right- and left-wing terrorism, government repression, and border conflict. The causes of these conflicts are both internal and external. Adverse demographic, socioeconomic, and political trends in Central America provide fertile ground for Marxist revolutionaries to exploit. But it is also clear that Cuba has renewed its support for local guerrilla struggles, beginning in Nicaragua in the late 1970s. In addition, led by the experience of the Sandinistas, today's revolutionaries are developing a new pattern of low-intensity conflict: By deliberately trying to internationalize local conflicts, they have gained external support not only from Cuba and the Soviet Union, but also from some West European and Middle Eastern actors. A guerrilla triumph in El Salvador would accelerate the transmission of conflict northward toward Mexico and southward toward Panama, and would deepen the internationalization even further.

A militarized hostile alignment is developing between Cuba and Nicaragua, with Soviet support. It is likely to include El Salvador as well, if the guerrillas take over power there.<sup>2</sup> This kind of alignment, as exemplified by the case of Cuba, takes years to fully militarize. Nicaragua will have to build up its own armed forces and provide the Cubans and Soviets with bases or facilities for power projection. But if militarization comes about, it will undermine the U.S. economy-of-force principle for the Caribbean Basin, complicate U.S. defense planning for crises elsewhere, and damage perceptions of U.S. power around the world.

<sup>1</sup>For further analysis, see Edward Gonzalez, op. cit.; Brian Michael Jenkins, *New Modes of Conflict*, The Rand Corporation, R-3009-DNA, June 1983; David Ronfeldt, op. cit.; Caesar Sereseres, *Military Politics, Internal Warfare, and U.S. Policy in Guatemala*, The Rand Corporation, R-2996-AF (forthcoming).

<sup>2</sup>It would probably also have included Grenada, if the Bernard Cord-Hudson Austin clique had remained in power.

Soviet-Cuban capabilities for power projection are growing in the region, through the expansion of conventional military forces, the promotion of revolutionary warfare, and the creation of trained cadres.<sup>3</sup> The Soviet Navy and Air Force routinely use Cuba as a base for operations along the East Coast of the United States (e.g., surveillance and intelligence gathering) and in the Caribbean (e.g., naval exercises, including antisubmarine warfare). The Soviets have armed Cuba with advanced weapon systems that could pose a threat to sea lanes the United States would use for shipping military units and supplies to NATO and the Middle East in the event of a crisis there. Neutralizing Cuba's military capabilities would now require a major diversion of U.S. military assets. If the Soviets and Cubans were to gain additional sites for stationing military units in Nicaragua or elsewhere in Central America, they would be able to augment their threat potential and further strain U.S. defense requirements.

We have chosen two scenarios to illustrate how these emerging threat sources may develop in Central America. While the two scenarios are *not predictive*, they pose credible situations that could materialize in the near future. They demonstrate (1) the ways in which major setbacks in Central America could jeopardize U.S. interests, and hence (2) the need for a U.S. policy to prevent such setbacks from occurring.

Three assumptions are common to both scenarios:

- Hardline elements will continue to dominate the Sandinista regime, and they will increasingly align Nicaragua with Cuba to promote a "revolution without borders" in Central America.
- Cuba will remain a close military ally of the Soviet Union and, in keeping with the interventionist imperative written into Cuba's Constitution, will continue to promote violent revolution in Central America. Cuba's activist policies are too important for Castro to forgo: They provide his regime with leverage in its dealings with Moscow; they hold the prospect of securing new revolutionary allies to overcome Cuba's hemispheric isolation; and they further Castro's ambitions as a global actor.

<sup>3</sup>Although less visible, technical training and academic fellowship programs can help Cuba and the Soviet Union project their power through the creation of thousands of skilled cadres who have been schooled—some of them in intelligence activities—and politically formed in communist countries. Havana has long worked to attract Caribbean and Central and South American students by offering technical training in education, agronomy, and public health. Though less well known, the Soviet and East European bloc effort is also extensive. Their combined programs in 1981 enrolled well over 3,000 students from throughout the Basin—not including those from Cuba, Grenada, and Nicaragua. Over the years, several thousand Panamanian students have attended Soviet bloc schools.

- Although they will act cautiously, the Soviets will treat Central America as a vulnerable part of the U.S. strategic back yard where opportunities can be exploited to Moscow's advantage. Working largely through Cuba and Nicaragua, the Soviets will attempt to disrupt hemispheric relations, divert U.S. attention and military resources, and further expand Soviet influence and military presence.

### SCENARIO 1: MIGS AND CUBAN COMBAT FORCES IN NICARAGUA

**Situation.** Proclaiming a right of self-defense against perceived external threats from Honduras and the United States, Managua acquires a squadron of MiGs from Cuba, perhaps accompanied by a squadron of Cuban MiG-21s and units from Castro's elite Special Troop Battalion. For various reasons, the United States cannot respond immediately to the Nicaraguan-Cuban action.<sup>4</sup>

**Repercussions.** This development would escalate the conventional military threat in Central America, further increase the military imbalance in the region, and pose a potential danger to the security of the Panama Canal and adjoining sea lanes of communication (SLOCs) on both sides of the isthmus.

Around the Basin, it would provide Havana with a legal precedent for a Cuban combat presence in Nicaragua. Mexico, Venezuela, Colombia, and other countries in the region would surely be alarmed by the Nicaraguan and Cuban action—and also by the prospect of U.S. reaction.

Worldwide perceptions of U.S. power would weaken if it appeared that (1) Central America, the Panama Canal, and other SLOCs are no longer secure from conventional threat in the region; (2) Cuba had secured a combat presence in Central America; and (3) only an enlarged U.S. military presence could assure regional security. West European governments might fear a weakening of U.S. military capabilities in Europe and the Middle East; and they might also be unwilling to expand NATO-related exercises and patrols to the Caribbean.

**Policy Implications.** The *fait accompli* of MiGs in Nicaragua, along with Cuban air and ground combat presence there, would present the United States with difficult policy choices. For example:

<sup>4</sup>For example, the United States might be focused on a crisis elsewhere in the world. Or it may be undecided about what measures to take, or unwilling to respond with military force. Or the Nicaraguan development might come on the heels of Honduran military attacks that strengthen Managua's claim to self-defense.

- The United States could ignore these developments, but only at the cost of legitimizing (and accelerating) the militarization of the Cuba-Nicaragua axis and the projection of Soviet-Cuban military power into Central America. A "do-nothing" posture could also erode the confidence of Basin governments in U.S. resolve to ensure their security concerns against external threats.
- Alternatively, the United States could threaten air strikes against Nicaragua unless the MiGs and Cuban combat presence were removed. This retaliatory option, however, might arouse strong domestic and international opposition if Nicaragua seems to have a legitimate case for taking protective measures against external aggression—for example, because of air attacks from Honduras.

If the United States is unable to force the removal of the MiGs and Cuban troops, what kinds of countervailing measures might U.S. defense planners consider?

- Development of an additional NORAD surveillance capacity for the Central American and Caribbean area.
- Deployment of U.S. AWACs and fighter aircraft to Honduras and/or other regional locations, along with the creation of a strong U.S. Army presence in Honduras.
- Deployment of additional naval units, perhaps including an aircraft carrier for air cover, to stand off the coasts of Nicaragua.
- Strengthening of the defenses of the Panama Canal area, which are virtually nonexistent at present, through the emplacement of radar sites, surface-to-air missiles, and interceptor aircraft.

Such measures would be expensive. They could help to ensure regional security in case of an international crisis involving the Soviet Union; yet their implementation in an era of scarce resources would probably require the diversion of U.S. military assets from high-priority areas beyond the hemisphere, thus undermining the U.S. economy-of-force principle.

## SCENARIO 2: A GUERRILLA VICTORY IN EL SALVADOR

**Situation.** U.S. security assistance to El Salvador diminishes, and U.S. leverage over the Salvadoran armed forces lessens. As a consequence, the extreme right and hardline army commanders seize power and begin a second *matanza* to kill suspected leftists and guerrilla

sympathizers. Popular alienation from the government grows, recruits flock to the guerrillas, and the Salvadoran armed forces disintegrate. The right-wing government collapses. The guerrillas seize power.<sup>5</sup>

**Repercussions.** In El Salvador, former government officials, military officers, and leaders of the centrist parties and trade unions who had aligned with the United States would be endangered. Tens of thousands of Salvadorans would probably flee as refugees into Honduras and Guatemala, creating additional political and economic problems for those countries. Hardline revolutionaries, like Joaquin Villalobos of the Peoples Revolutionary Army (ERP), would probably dominate the new government and call for a protracted revolutionary war to "liberate" all of Central America.

The politico-military balance in the rest of Central America would appear to shift decisively in favor of Marxist-Leninist forces. The responses of individual countries might vary: The military government in Guatemala would probably redouble its efforts to destroy the guerrilla threat, dealing harshly with the civilian and especially Indian population of the Altiplano. The governments of Honduras, Costa Rica, and Panama would probably adopt neutralist or accommodationist postures. But they could conceivably be frightened into closer cooperation with the United States. If so, Honduras could allow a major U.S. military buildup.

The Salvadoran collapse would surely strengthen the interventionist imperative behind Cuban foreign policy elsewhere in the Basin. Having gained a second ally, Fidel Castro would become irrevocably committed to promoting armed struggle in Central America, a new Simon Bolivar leading the "Second Liberation." Cuba would send military and security advisors and technical-assistance teams to El Salvador.

The prospect of an increasingly unstable and communist Central America should alarm the governments of Mexico, Colombia, and Venezuela. But domestic political constraints and divisions could inhibit them from joining regional security arrangements to contain the revolutionary threat. If these inhibitions do not arise, Mexico could increase cooperation with Guatemalan counterinsurgency operations along the border the two countries share. Venezuela could become a more active military partner of the United States. Mexican and Venezuelan oil embargoes could be imposed against the new Salvadoran regime. But such cooperation seems unlikely. Mexico in particular would probably opt for its traditional, defensive policy of attempting to coopt radical forces.

<sup>5</sup>Given the apparent inability of the Salvadoran Army to turn the tide against the guerrillas, this outcome could occur under current or even higher levels of U.S. security assistance.

Moscow would surely see a Salvadoran revolution as further confirmation that the correlation of international forces is shifting in its favor. Working through Cuba and Nicaragua, the Soviet Union might furnish economic credits, subsidized petroleum, and arms shipments to the new regime, and might join with Cuba in a new offensive to promote armed struggle in the hemisphere.

**Policy Implications.** A guerrilla victory in El Salvador would probably narrow the range and raise the cost of U.S. policy options in the region.<sup>6</sup> First, it would become more difficult to treat Central America as though its problems could be resolved through long-term U.S. economic and military assistance:

- With the advance of internal war and Marxist revolution, local and foreign private investment would surely diminish; economic assistance would no longer be effective for shoring up beleaguered governments; and military assistance programs would have little time to improve the counterinsurgency capabilities of local armies against guerrillas who may, in the meantime, be winning on the battlefield.
- Governments and elites in the region would have increasing doubts that they could survive and stop the revolutionaries without the commitment of U.S. combat forces. This prospect might lead some governments (e.g., in the Contadora Group and Western Europe) to campaign more vigorously than ever for the accommodation of Marxist-Leninist regimes.

Second, restoring stability and security to the region would probably require a large U.S. military presence:

- Military operations to *reverse* Marxist-Leninist gains in Nicaragua and El Salvador, if attempted, would entail a large-scale commitment of U.S. combat forces, perhaps as many as 100,000 men (equivalent to five Army divisions) just to invade and pacify Nicaragua.
- Even if the United States limited its goals to *containing* the revolutionary forces in Nicaragua and El Salvador, it would still have to deploy a large military contingent in the area, possibly in Honduras, which might then become the target of provocative terrorist attacks.

<sup>6</sup>A contrary argument could also be made, however, that the fall of El Salvador to an extreme leftist or rightist regime—should it occur before the United States becomes totally committed to El Salvador's survival—would unburden the United States of a potentially very costly albatross, and might help to galvanize U.S. public opinion behind U.S. policy to wield stronger influence in the region.

In sum, as both scenarios illustrate, the continued spread of low-intensity conflict, the consolidation of a hostile regional military alignment, and the expansion of the Soviet-Cuban military presence in the Caribbean and around Central America would generate crises for the United States in which U.S. security interests would be more clearly threatened, the stakes would be higher, the options would be fewer, and the costs would be greater than at present. If the United States should respond with direct military action, the traditional U.S. economy-of-force principle for this region would be violated to an extent that might constrain U.S. ability to respond to crises in other high-priority theaters. Moreover, U.S. combat forces in Central America would probably provoke widespread hostility throughout Latin America, enabling Marxist movements to rally popular support and perhaps leaving the United States bereft of "Good Neighbors."<sup>7</sup>

If security conditions continue to deteriorate in the region, the risks of U.S. military action may have to be accepted in order to arrest the emerging threats. It would be far preferable, however, to develop a U.S. policy that can restore stability and security to Central America without relying on U.S. military intervention or a large-scale U.S. military buildup.

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<sup>7</sup>This was not the case in Grenada.

## IV. THE CHALLENGE OF NICARAGUA

What is to be done about Nicaragua? This is part of two more fundamental questions that have long troubled U.S. policy:

- Can we learn to live with radical nationalist regimes in our "back yard" if they learn to live with us?
- How do we prevent a hostile extrahemispheric power (i.e., the Soviet Union) from gaining military positions in Central America and the Caribbean?

The Cuban Revolution raised these questions in the early 1960s. U.S. policy responded by supporting (and later dropping) the Cuban exile forces, enacting an economic embargo, isolating Cuba diplomatically, and limiting (but not preventing) a Soviet-Cuban military buildup. For almost two decades, U.S. policy succeeded in containing Cuba and raising the costs of its policies.

Nicaragua differs from Cuba, however, and the 1980s are not like the 1960s. The Sandinista regime poses new types of challenges:

- The Sandinistas are led by trained, dedicated Marxist-Leninists who are strongly anti-U.S. and who have learned from both the Cuban and Chilean experiences.
- Nicaragua is on the mainland, has traditionally been closely linked to its Central American neighbors, and therefore may be more difficult to contain than Cuba was.
- Although the Soviets may not be inclined to finance another Cuba, Nicaragua has opportunities to augment Soviet assistance by tapping European economic assistance that was not available to Cuba in the 1960s.
- Nicaragua may enlarge the Soviet-Cuban military presence at a time when, mainly because of U.S.-Soviet strategic parity, regional military balances matter. In contrast, Cuba gave the Soviets a new military position at a time when the United States was the paramount superpower and regional balances mattered much less.
- The American public is divided over Nicaragua, partly because of the Vietnam experience and the existence of solidarity networks. In contrast, a strong anti-communist consensus existed in the early 1960s.



U.S. policy has recently responded to the Sandinistas much as it did to Castro. The U.S. government has

- Curtailed U.S. financial and economic assistance to the Sandinista regime.
- Sought to block funding from international organizations.
- Terminated Nicaragua's sugar quota.
- Sent diplomatic delegations to Europe and elsewhere to discourage foreign support for the regime.
- Backed the anti-Sandinista rebels, initially in their efforts to gain territory and popular support, more recently in an attempt to destroy economic targets.
- Held large-scale military maneuvers around Nicaragua while expanding the military capabilities of neighboring Honduras.

With this background, we shall next examine selected options for dealing with the Sandinista regime and, separately, for preventing a Soviet-Cuban military buildup in Nicaragua.

### OPTIONS FOR DEALING WITH THE SANDINISTA REGIME

Critics err when they state that only the installation of Soviet offensive weaponry would threaten U.S. security interests in Central America and the Basin. As suggested by the scenarios above, the use of Nicaragua as a revolutionary sanctuary for spreading low-intensity conflict would in itself further destabilize the region and could require the United States to deploy forces there.

There are no easy options for dealing with the Sandinistas to assure the protection of U.S. security interests. Some of the possible approaches are described below.

*1. Accommodation.* If the United States were to adopt an accommodation approach, it would accept the regime as long as the regime respected the key interests of the United States and its neighbors. Each side would need to make compromises. The critical requirements for U.S. security would be that Nicaragua not provide military bases or facilities for expanding Soviet power, not develop armed forces under Soviet or Cuban auspices, not acquire conventional military weapons from any source that would upset regional military balances, and not engage in the subversion of other countries.

The United States, in return, would not actively support anti-Sandinista forces in Nicaragua and would cease its diplomatic, political, and economic campaign against the Sandinista regime. The

expectation would be that, in time, the revolutionary ardor and anti-American sentiments of the Sandinistas might cool, and thus Nicaragua, which faces many of the same problems as its Central American neighbors, would pursue its long-term interests through regional cooperation. Indeed, the original platform of the Sandinista movement, which called for democratic pluralism, a mixed economy, and a nonaligned foreign policy, would still be acceptable.

The outlines of such an accommodation approach have appeared in various forms during recent years, beginning with the overtures by Assistant Secretary of State Thomas Enders to the Sandinista regime during 1981-1982. Since early 1983, the Contadora Group (Colombia, Mexico, Panama, and Venezuela) has taken the lead, with considerable cooperation throughout Central America and with some reservations from the United States, in recommending a number of specific points for negotiations to resolve the Central American conflicts and to demilitarize the region.

The attractions of accommodation to the United States are obvious:

- It could lower the level of hostility in the region.
- It would be cheaper than efforts to overthrow the regime, though it might require U.S. economic assistance and trade benefits for Nicaragua.
- It would receive considerable support in the United States, and widespread support in Latin America and Europe.
- It could facilitate a genuine rapprochement at some future date.

But accommodation also raises several problems:

- It would mean abandoning the non-Sandinista democratic elements and tolerating the survival of an authoritarian, probably repressive, socialist state in Nicaragua.
- It is not clear that conservative elements in the United States would accept the unchallenged survival of a Marxist-Leninist regime in Nicaragua.
- It would require that Nicaragua alter its behavior.

This last point is the stickler. Right now, the Sandinistas do not appear to have sufficient incentives for curtailing their revolutionary objectives. Despite their public stance, they may calculate that the United States can do little to overthrow them short of military intervention, which is unlikely. In the meantime, they believe they can exploit divisions in the United States to undermine any U.S. effort against them, that they can exploit anti-U.S. feelings in Nicaragua to

consolidate domestic political support, and that they can attract West European and Soviet economic support to make up for the absence of U.S. assistance.

2. *Oppose the Sandinistas with nonmilitary measures.* This approach would emphasize diplomatic efforts to isolate the regime, raise the regime's economic costs, reduce the support it receives from Latin America and Europe, and undermine it through continued support for anti-Sandinista elements (with money, not weapons).

Such an approach may be attractive because

- It would be comparatively cheap.
- It would avoid U.S. military or paramilitary involvement.
- It would not arouse great opposition in Latin America, Europe, or the United States.

The principal problem with this approach is that, as with Cuba, it might have to be sustained for years, and by itself, it might not be effective. It does not provide real incentives for the Sandinistas to modify their behavior, and it would surely result in their continued hostility toward the United States and increasing dependence on the Soviet bloc and Europe.

3. *Support the rebels to weaken the Sandinista regime.* To impose an economic penalty on the Sandinistas as a price for their alignment with Cuba and support of Marxist insurgencies elsewhere, the United States could strengthen the rebel forces to concentrate their attacks on economic targets like power grids, oil supplies, bridges, and port facilities. The attractive aspects of this approach are

- It offers some policy symmetry: Nicaraguan-backed Salvadoran guerrillas have waged a similar campaign to destroy El Salvador's economy.
- It is feasible and promises a quick impact. Recent efforts may have contributed to making the Sandinistas reconsider their support for the guerrillas in El Salvador and the Cuban presence in Nicaragua.

But this economic-pressure approach also entails serious problems:

- It would impose a heavy burden on the Nicaraguan people.
- It would still leave a hostile regime in Managua.
- It would make the Sandinistas more dependent on Cuban, Soviet, and European aid.
- It would make U.S. policy more dependent on the anti-Sandinistas.

- It could provoke widespread anti-American sentiment in Nicaragua, Latin America, and the United States.

4. *Increase support to rebels in an effort to overthrow the Sandinistas.* If successful, an anti-Sandinista operation to overthrow the regime would eliminate a revolutionary sanctuary in Central America, assist the Salvadoran government's counterinsurgency efforts, and present a major political and military setback for Cuba and the Soviets. But there are also costs:

- It would increase bloodshed and destruction and would associate the United States with acts of terrorism if the guerrillas began to kill civilians or to resort to terrorist tactics.
- It could arouse anti-American emotions that would assist the Sandinista regime's consolidation and alienate much of Latin America.
- It would increase the risk of war between Nicaragua and Honduras.
- It could result in an increased Cuban role, possibly including Cuban volunteers in Sandinista combat units, especially if war with Honduras seemed more likely.
- It could intensify political debate in the United States to an extent that would imperil other defense and foreign-policy goals.

The adoption of such a risky venture would depend largely on the degree of discontent in Nicaragua and the ability of the rebels to weld that discontent into an effective fighting force capable of defeating the Sandinistas. But it is not clear that discontent in Nicaragua is so widespread that providing, weapons, money, and organization would cause the armed opposition to grow. It is also not clear that a force capable of toppling the Sandinistas could be created simply by the infusion of money and weapons.

The longer the effort took, the more the United States would have to face new problems with the rebels and with itself. The rebels have their own agenda; even if they were dependent on U.S. support, they would not be willing pawns of the United States. Could the U.S. government control them? Since the colonial era, only a few guerrilla movements have succeeded, and all of these have required great patience. Would the United States stick with it? Would it risk escalating, even to the point of using U.S. combat forces? The history of U.S. impatience with such ordeals suggests that the American public would tire of the conflict, abandon the rebels, and learn to live with the Sandinistas (as has occurred with Cuba).

Unless these questions can be answered positively, a strategy that relies primarily on anti-Sandinista forces to overthrow the Nicaraguan regime seems unlikely to succeed and may not be worth the probable cost of the effort.

5. *Intervene with U.S. forces.* A U.S.-led military intervention might be an attractive option if it would end the principal source of subversion in Central America, facilitate El Salvador's counterinsurgency efforts, and present Cuba and the Soviet Union with a major setback. Nonetheless, it would entail high political costs because it could be condemned as a U.S. "Afghanistan" by Latin America and much of the world. This approach would also create costly military problems:

- It would be an enormous undertaking. U.S. intervention in Santo Domingo involved over 23,000 combat troops to restore order in a single city, and there the United States faced virtually no opposition. Full-scale intervention in Nicaragua could require 100,000 or more combat troops to fight against the well-armed Sandinista army and popular militia.
- It would divert virtually the entire U.S. strategic reserve, thereby weakening U.S. global commitments.
- There could be heavy U.S. and Nicaraguan casualties.<sup>1</sup>
- It could bog the United States down in a prolonged military occupation and counterinsurgency campaign.

## OPTIONS TO PREVENT A CUBAN-SOVIET MILITARY BUILDUP

The conventional military threats that Nicaragua could pose and the difficulties the United States might have in responding to those threats cannot be discarded. Nicaragua is not a military threat now any more than Cuba was in the early 1960s; but like Cuba, it could become one. With Nicaragua as an ally, the Soviets and Cubans may gradually and ambiguously develop a routine, Basin-wide military presence for reconnaissance, surveillance, intelligence gathering, tactical air, transport, and naval patrolling—to be followed later by the acquisition of Nicaraguan ports and bases for defensive and potentially offensive missions.

As has occurred with Cuba over the past 14 years, the United States may find that it cannot prevent such an incremental expansion by simply "drawing the line," because the threat remains nebulous. Eventually, the United States would be compelled to increase its military

<sup>1</sup>This did not occur in the U.S. invasion of Grenada.

presence by rendering increased military assistance to countries in the region, enlarging its air defense and naval patrols, strengthening its basing facilities, and perhaps acquiring new ones. With a low resource investment in the region, the Soviets could thus oblige the United States to make a large, costly countervailing investment.

Again, there are no easy options for preventing a Soviet-Cuban military buildup in Nicaragua if the Sandinistas are determined to pursue such a course of action. Some possible approaches are discussed below.

1. *A negotiated or declared U.S. weapons ceiling.* The United States might seek to negotiate a ceiling on the origin, amount, and kind of military equipment Nicaragua could acquire. Or, in the absence of such an agreement, the United States could declare certain prohibitions, warning that a violation of the limits would result in U.S. countermeasures.

This approach offers several advantages:

- It addresses our principal security concern, setting aside the issue of whether or not the United States can tolerate radical revolutionary governments in the Western Hemisphere.
- It could form part of a broader arms-limitation agreement among the countries of Central America.
- Thus far, U.S. warnings against the deployment of MiGs to Nicaragua appear to have worked.

The approach also raises several problems:

- The Sandinistas may not consider U.S. threats of countermeasures in response to violations of weaponry limits to be credible.
- As we have learned from experience with Cuba, that which is not expressly prohibited automatically becomes permissible; that which is permissible will be deployed.
- A declaratory policy automatically commits the United States to action in response to every violation. The United States may not want to take action in every case; yet failure to do so, for whatever reason, would be perceived as a reversal of U.S. policy and would result in a loss of U.S. credibility. The uncertainty and risks should lie with the Nicaraguans, Cubans, and Soviets.

2. *A quarantine.* The United States could impose a land and sea quarantine to prevent the introduction of heavy weapons from the Soviet bloc as well as from Western Europe. The selective blockade of specific types of weapons and support systems would allow the United States to act prior to the arrival of such items in Nicaragua. This

approach would be advantageous if it discouraged or at least delayed Cuban and Soviet support and also helped dissuade our European allies from introducing advanced weapons. Implementing a quarantine, however, would pose serious problems:

- It would be difficult and costly to enforce; it could require a large deployment of air, sea, and ground units.
- It would risk confrontation with the Soviets.
- It could require a long-term operation, lasting years. In the case of Cuba, U.S. policy was directed at specific offensive weapons (i.e., nuclear missiles), and the quarantine had to last only a short period of time.

3. *Selective targeting.* The United States could use local paramilitary forces under U.S. control, special U.S. operations capabilities, or U.S. regular air or naval forces to destroy Soviet or Cuban military equipment now in Nicaragua or regionally destabilizing weapons that may be introduced later. While the Soviet weapons already there do not threaten the security of the United States, they do represent a decision by the Nicaraguan regime to align militarily with Cuba and the Soviet Union. If the United States does not quickly demonstrate a willingness to prevent Nicaragua's gradual conversion into a Soviet-Cuban military platform, it may be faced later with a succession of *faits accomplis* similar to what has transpired in Cuba. In addition to demonstrating U.S. determination, this approach would also offer some operational advantages:

- It could be implemented overtly or covertly.
- It would not oblige the United States to respond to every action.
- The uncertainty would remain with the Nicaraguans.
- It is relatively politically "clean" to target weapon systems located on military bases.

Such an approach, however, would also entail serious problems:

- It would involve the United States more directly than does U.S. support of rebels.
- U.S. participants could be taken prisoner by the Sandinistas, creating a POW problem.
- It could provoke terrorist attacks against both military and nonmilitary targets in the United States.
- It could imperil the American embassy in Managua and thousands of U.S. citizens in Nicaragua.

- It might deter Nicaragua for only a brief period, until the Sandinistas learned what countermeasures to take, probably with Soviet-Cuban assistance.

4. *Full-scale U.S. military intervention.* The pros and cons of this option have already been discussed.

## CONCLUDING COMMENTS

The measures that U.S. policymakers should adopt toward Nicaragua depend upon a host of considerations that are likely to change over time. Still, on the basis of this review, the following combination of options would seem to be the most effective:

- Maintain pressure on the Sandinista regime, relying primarily on nonmilitary means, but continuing to provide financial support to anti-Sandinista elements.
- Take steps—including, if necessary, selective military actions—to make certain that Nicaragua does not continue to acquire Soviet weapon systems and does not allow a Soviet-Cuban military buildup within its borders.

These measures must be coupled with continued U.S. support for friendly Central American governments to defeat Marxist-Leninist insurgencies. As discussed in the following section, U.S. support should also strengthen local economic and institutional capabilities to respond to legitimate demands for change rather than relying on authoritarian, repressive behavior.



## V. GENERAL IMPLICATIONS FOR U.S. POLICY

What will Central America look like if the adverse security trends in the region are not checked? The possibilities are ominous. Left alone, hardliners within the Sandinista regime could consolidate their power under a Cuban-type system and could align Nicaragua militarily with Cuba and the Soviet Union. Without U.S. assistance, El Salvador's government would collapse, probably giving way to a repressive revolutionary dictatorship that would wage class war and revolution abroad and would be virulently anti-American. Regardless of whether U.S. policy applies pressures or offers concessions, Castro's Cuba will continue to pursue its ambitions as a pro-Soviet partner and revolutionary force.<sup>1</sup> If these unfavorable events come to pass, Central America will be balkanized (that is, ridden with rivalries and conflicts linked to external actors) and will transmit low-intensity conflict northward toward Mexico and southward toward Panama.

Yet even if these possibilities can be prevented, Central America probably will continue to be in turmoil for the remainder of the 1980s. Virtually all the Central American countries confront one or more structural problems that will tax the abilities of local governments and provide fertile ground for political violence. These include:

- *Extreme demographic pressures.* In El Salvador, the worst case, population density has soared from 91 per square kilometer (1950) to 240 (1983), on a par with the population density of India. If the population continues growing at current rates, it will double in less than 25 years to over 10 million, creating enormous socioeconomic and political pressures.
- *Large youthful populations.* The under-14-year-old age group accounts for 45 percent or more of the total population of each of the Central American countries, at a time when nearly 50 percent of the working-age population is already unemployed or underemployed. The ability of the local economies to provide employment and social services will thus be strained for years to come.
- *Weak export economies.* The depressed agrarian and non-petroleum-producing economies of Central America remain terribly vulnerable to world market conditions for their commodity exports, while having to pay high prices for imported finished goods.

<sup>1</sup>For an analysis of Cuban behavior, see Edward Gonzalez, op. cit.

- *Rigid and regressive socioeconomic systems.* Income and land holdings are concentrated among a fraction of the population, especially in El Salvador and Guatemala, and avenues for social mobility are often blocked by class, ethnic, and racial barriers.
- *Immoderate political systems.* Except for Costa Rica, the local governments are brittle and cannot accommodate to change, civilian institutions remain weak, and societies are too polarized to achieve consensus on the form and purpose of government.

The challenge facing the United States is to develop a policy that can prevent the worst-case deterioration while successfully dealing with these messy but still manageable conditions. The United States will need a long-term, well-coordinated policy that combines political, economic, and military measures.

### BASIC GUIDELINES FOR A LONG-TERM POLICY

Priorities and distractions elsewhere around the world, the likelihood of political and military setbacks in Central America, and problems inherent in the American political process suggest that Americans will find it difficult to persevere in any long-term undertaking in Central America. Nevertheless, if the United States is to succeed at developing an effective, sustainable policy, three interrelated guidelines should be followed:

- Sustain U.S. involvement in Central America.
- Engage the cooperation of other Basin states.
- Address both the internal and the external sources of conflict.

To promote its strategic imperative and moral obligations, the United States will have to maintain a consistent presence and participation in Central America. Many critics of U.S. policy have argued that less U.S. involvement in the area might be better than more—that higher levels of U.S. involvement may only arouse nationalist reactions and engender more conflict. However, their assumption of a linear relationship between the level of U.S. involvement and the level of instability in Central America does not hold up historically or analytically. The relationship is probably curvilinear: U.S. involvement is most likely to have adverse consequences when the United States disengages politically, economically, and militarily, as it did during the 1970s, or when it overreacts and adopts highly interventionist policies.

The most stabilizing consequences may result from moderate U.S. involvement, because this level best meets the expectations of Central

American political elites, whereas an excessive or diminished U.S. presence may drive them to look elsewhere for allies. The U.S. disengagement from the Caribbean Basin during the 1970s probably helped foster the internationalization of the area's conflicts; it clearly helped open the door for other regional and extrahemispheric actors to get involved in the struggles in Nicaragua and El Salvador. To offset these external forces, as well as to counter the adverse economic trends, the United States must once again become the paramount power in the region, while seeking to renew positive relationships with its neighbors.

In rebuilding its leadership roles, the United States should not seek to reassert its former hegemony. That would be counterproductive for many reasons. We need to engage the governments in Central America and throughout the Caribbean Basin in developing collective responsibility for regional security and development. Subregional mechanisms such as the Contadora Group, the Central American Forum for Peace and Democracy, and the Central American Common Market provide better frameworks for coalition-building than does the Organization of American States (OAS), which is currently too weak and too divided to serve this purpose well.

Cooperation, however, does not require overcommitment. The dangers in the region are neither so acute nor so uniform that the United States should feel obliged to accept whatever security and economic agenda the Central American governments present.<sup>2</sup> Honduras, Costa Rica, and Panama are not presently threatened by insurgent movements, and Guatemala has thus far contained its guerrilla struggle. U.S. interests must remain paramount in U.S. policies to help the region cope with subversion and to deter further Cuban-Soviet military expansion.

U.S. policy should understand that the internal and external sources of conflict in Central America are inseparable. The divisive public debate—with some people blaming the revolutionary violence on local poverty and inequity and others blaming it on Soviet-Cuban subversion—is misleading and should be set aside. Though local elites (and counterelites) in Central America respond mainly to indigenous conditions, they have traditionally sought to augment their power by enlisting the support of external actors, increasingly in recent years. Thus the best way for U.S. policy to rise above the academic debate in

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<sup>2</sup>As suggested during the visit of the National Bipartisan Commission on Central America to Panama, Costa Rica, and Honduras, these governments tend to seize upon the existence of a Marxist-Leninist regime in Nicaragua as a means of pressuring Washington for economic assistance programs that exceed local absorptive capacities.

this country and to affect political behavior in Central America is to address *both* sources of conflict.<sup>3</sup>

## POLITICAL, ECONOMIC, AND MILITARY DIMENSIONS

What should U.S. policy do to fulfill these guidelines? It should respond to four classic challenges that have faced the United States ever since it became involved in this region almost a century ago, by

1. Engaging and accommodating Latin American nationalism.
2. Strengthening moderate democratic forces.
3. Fostering socioeconomic development.
4. Building constructive military relations.

Over the decades, U.S. policy has responded to these challenges in an on-and-off fashion. The Good Neighbor Policy of the 1930s and the Alliance for Progress in the 1960s were the most positive efforts. The recommendations that follow may thus look quite conventional at a time when it has become fashionable to demand new ideas to solve today's problems. However, success in Central America may depend on achieving a renewed, long-term U.S. commitment to meet the classic policy challenges.

Recommending what U.S. policy should do is a lot easier than specifying how to do it. The following list of suggestions thus leaves many "how to" questions unanswered. Ultimately, these would have to be answered by the practitioners of the policy adopted.

1. *Engaging nationalism in Central America.* Nationalism is the principal language of inter-American policy dialogue. Building regional trust thus depends on the ability of the United States to respect and accommodate the key nationalist concepts of political sovereignty, economic independence, and national dignity—not as they find their way into left-wing rhetoric, but rather as they express the fundamental yearnings of political life in Latin America. That nationalism, though often critical and demanding of U.S. policy, could provide a powerful barrier against extrahemispheric intrusion. Useful steps to take might include the following:

- Abide by the time-honored principle of nonintervention in other nations' internal affairs where there is reciprocity and no military entanglement with nations hostile to the United States.

<sup>3</sup>For additional background on these and the following points, see David Ronfeldt, *op. cit.*

- Recognize that developing the state, including a strong central government, state enterprises, and the military as an institution, often takes priority over the private sector in the minds of nationalists.
- Make clear that the United States could live and even cooperate with nationalist revolutionary regimes as long as they refrain from promoting revolutionary warfare elsewhere and do not align themselves militarily with the Soviet Union.

The challenge does not lie entirely with the United States, however. The U.S. concept of popular sovereignty, which lies behind key issues of political democracy, human rights, and immigration flows, has much to recommend to Central Americans, who prefer to emphasize the concept of state sovereignty. For their part, nationalist leaders in Central America should question whether their long-range interests are truly served by inviting extrahemispheric actors to balance U.S. influence and allowing local conflicts to become so internationalized as to risk a balkanization of the area.

2. *Strengthening moderate forces.* To obtain broad-based support both within the United States and in Central America, U.S. policy must do more than simply oppose left- and right-wing extremism. It must also strengthen moderate elites and institutions—both civilian and military—that share American values and prefer democratic solutions for the long run.<sup>4</sup> U.S. human-rights policy can be effective in this regard only when it is backed by the exercise of U.S. power. Specifically, U.S. policies are needed that can:

- Break the historic ties between the military and security forces and the oligarchy in El Salvador and elsewhere in the region—if not in this generation of officers, in the next—by continuing to provide security assistance and military training.
- Support the creation of a regional institute that can provide political leadership training and electoral assistance.
- Provide technical and financial assistance for local institutional development—including political parties, labor unions, community organizations, and agricultural cooperatives—through AID, the AFL-CIO, the Inter-American Foundation, and other governmental and private organizations.

<sup>4</sup>The label "moderates" is difficult to define in the Central American political context. It could encompass not only centrists, but also left- and right-wing civilian and military elites who are committed to developing an openly pluralist society and who will adhere to nonviolent political procedures, foster mass political participation, and accept constraints on the exercise of power. Such "moderate" practices may fall short of American liberalism and formal democratic institutions, but they are a step in that direction.

- Expand training opportunities and fellowships in the United States for military and civilian leaders, especially among the young, in order to create professional cadres that are favorably disposed toward the United States and its democratic values.

The United States is the only nation that combines the interests, influence, and resources to shield moderate forces. The European nations, the Socialist International, and the Contadora nations cannot offer adequate protection. Ultimately, if right-wing extremists continue to murder moderate political opponents, it may be necessary to take punitive measures against the personal interests of right-wing leaders. The model for such a policy is Santo Domingo, where the United States played a key supportive role in getting extreme right-wing senior officers and junior left-wing officers reassigned to diplomatic posts abroad in order to promote peace and a democratic outcome following the 1965 Dominican revolt.

3. *Fostering economic development and social justice.* The region's long-term problems are largely socioeconomic, and so must be the solutions. The land reform in El Salvador and the Caribbean Basin Initiative are modest steps in the right direction. But programs of even greater magnitude and duration are needed that will:

- Support agrarian reform measures where needed in the region by providing technical and financial assistance, and provide funds to help compensate expropriated property owners so as to break the nexus between former property owners and the death squads.<sup>5</sup>
- Stimulate private-sector development in agriculture, construction, manufacturing, commerce, and service industries, enlisting the assistance of AID and the U.S. private sector and providing trade preferences for imports from Central America.
- Adopt a long-term development program that will provide capital, technical, and trade assistance to generate economic growth and satisfy the aspirations of the lower and middle classes, particularly the basic human needs of the rural population.

The expansion of U.S. development assistance should be tailored to local absorptive capacities and should encourage socioeconomic reforms that will expand those capacities. The administration of U.S. aid programs should not allow local governments and elites to postpone

<sup>5</sup>Legislation barring such assistance must be removed. Conditions might also be attached to compensation. For example, recipient property owners might be required to reinvest part of their compensation in local industries.

needed redistributive reforms, engage in capital flight, or expand the amount of U.S. aid by exaggerating local threats.

4. *Building cooperative military ties.* The United States should build new coalitional defense mechanisms that enlist the Contadora nations as well as our Central American allies in collective security activities. Such activities could involve intelligence sharing, sea and air patrols, and peace-keeping missions, among others, in order to contain low-intensity conflicts and hostile force expansion. Such multilateral activities may require years to evolve, however. In the meantime, U.S. security assistance programs will need to improve the capabilities of local military organizations to engage in counterinsurgency, the defense of economic targets, and nation-building. These programs should

- Continue economic and security assistance to defeat left-wing guerrillas and check right-wing political extremists.
- Strengthen military leadership training and professional and organizational skills, through expanded U.S. military training programs in the United States, the School of the Americas, and individual Central American countries.
- Restrain the introduction of advanced weapons systems into the region, including those from Western arms suppliers.
- Improve intelligence gathering and analysis by both the local armed forces and U.S. intelligence personnel.
- Provide professional police training (presently prohibited by U.S. legislation) to security forces personnel.

U.S. security assistance and military measures should serve to strengthen rather than weaken fragile civilian political institutions in Central America. Yet getting the military completely out of politics in the region would be an unrealistic objective; governments in Central America (with the exception of Costa Rica) are normally based on civil-military coalitions. Professionalization may help to subordinate the military to civilian authorities only if the latter also fulfill their responsibilities—hence the need for U.S. policy to simultaneously meet the political and economic challenges discussed above.

These broad policy directions would respond to both U.S. security interests and moral obligations and may thus provide a basis for developing a sustainable consensus on U.S. policy toward Central America among the American people.

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